

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:  
03-001

2. STATE  
Alaska

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE  
January 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

**RECEIVED**

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCK 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:  
42 CFR 435

7. FEDERAL BUDGET IMPACT:

a. FFY \$0  
b. FFY \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supp. 1 to Attachment 2.6-A, Page 1

Supp. 6 to Attachment 2.6, Page 1-3

Supp. 14 to attachment 2.6A, pages 1-4 (P+I)

Supp. 8a to attachment 2.6A, page 3 (P+I)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

Supp. 1 to Attachment 2.6-A, Page 1

Supp. 6 to Attachment 2.6, Page 1-3

Supp. 14 to attachment 2.6A, pages 1-4 (P+I)

Supp. 8a to attachment 2.6A, page 3 (P+I)

10. SUBJECT OF AMENDMENT:  
Income eligibility standards

*Alaska (03-001)*  
*approved: 05/22/03*  
*effective: 01/01/03*

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:  
Does not wish to comment

13. TYPED NAME: Virginia Stonkus

14. TITLE: Acting Director, Division of Medical Assistance

15. DATE SUBMITTED:

*3/7/03*

16. RETURN TO:  
Division of Medical Assistance  
PO Box 110660  
Juneau, AK 99811-0660

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: **MAR 10 2003**

18. DATE APPROVED: **MAY 22 2003**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVAL MATERIAL: **JAN - 1 2003**

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

*Rene S. O'Connor*

22. TITLE:

**Associate Regional Administrator**

23. REMARKS:

*P+I changes authorized by the state on 3/2/03*

*POSTMARKED: 3/7 Juneau*

*P+I changes authorized by the state on 5/14/03 and on 5/21/03*

## INCOME ELIGIBILITY LEVELS

### A. MANDATORY CATEGORICALLY NEEDY

#### 1. AFDC-Related Groups Other Than Poverty Level Pregnant Women and Infants:

	Family Size	Need Standard	1996 Payment Standard	Maximum Payment Amounts
a. AI	2	\$ 914	\$ 821	\$ 821
	3	1,028	923	923
	4	1,142	1025	1025
	5	1,256	1127	1127
	each additional	114	102	102
b. ANI	1	\$ 503	\$ 452	\$ 452
	2	617	554	554
	3	731	656	656
	04	845	758	758
	each additional	114	102	102
c. UP/INCAP	2	\$ 914	\$ 821	\$ 821
Parent	3	1028	923	923
	4	1142	1025	1025
	5	1256	1127	1127
	each additional	114	102	102
d. Single Adult		\$ 573	\$ 514	\$ 514

#### 2. Pregnant women and infants under Section 1902(a)(10)(i)(IV) of the Act:

Federal Poverty Guidelines For Pregnant Women and Infants 185% Effective beginning 4/1/02	
Family Size	Income Level
1	\$ 1,709
2	2,302
3	2,896
4	3,489
5	4,083

### Standards for Optional State Supplementary Payments

#### AGED

Payment Category  (Reasonable Classification)	Admin- istered by (Fed/State)	Income Level				Maximum Payment Level		Notes
		Gross		Net		1 Person	Couple	
		1 Person	Couple	1 Person	Couple			
Non-Institutionalized, living independently.	State	\$1656	\$	\$1025	\$1519	\$914	\$1357	1/ 2/
Non-Institutionalized, living in another individuals home and receiving in-kind income in the form of both food and shelter.	State	\$1656	\$	\$848	\$ 1263	\$736	\$1096	1/ 2/
Institutionalized in a hospital, SNF, ICF, or ICF/MR	State	\$1656	\$	\$ 74	\$ 148	\$75	\$150	1/ 2/

1/ **Income Disregard:** Alaska Native Land Claims Settlement

2/ **Additional Eligibility Criteria:** Individual must be age 18 or older.

### Standards for Optional State Supplementary Payments

#### BLIND

Payment Category  (Reasonable Classification)	Admin- istered by (Fed/State)	Income Level				Maximum Payment Level		Notes
		Gross		Net				
		1 Person	Couple	1 Person	Couple	1 Person	Couple	
Non-Institutionalized, living independently.	State	\$1656	\$	\$1025	\$1519	\$914	\$1357	1/ 2/
Non-Institutionalized, living in another individuals home and receiving in-kind income in the form of both food and shelter.	State	\$1656	\$	\$848	\$1263	\$736	\$1096	1/ 2/
Institutionalized in a hospital, SNF, ICF, or ICF/MR	State	\$1656	\$	\$ 74	\$ 148	\$75	\$150	1/ 2/

1/ **Income Disregard:** Alaska Native Land Claims Settlement

2/ **Additional Eligibility Criteria:** Individual must be age 18 or older.

**Standards for Optional State Supplementary Payments**

**DISABLED**

Payment Category  (Reasonable Classification)	Admin- istered by (Fed/State)	Income Level				Maximum Payment Level		Notes
		Gross		Net		1 Person	Couple	
		1 Person	Couple	1 Person	Couple			
Non-Institutionalized, living independently.	State	\$1656	\$3270	\$1025	\$1519	\$914	\$1357	1/ 2/
Non-Institutionalized, living in another individuals home and receiving in-kind income in the form of both food and shelter.	State	\$1656	\$3270	\$848	\$ 1263	\$736	\$1096	1/ 2/
Institutionalized in a hospital, SNF, ICF, or ICF/MR	State	\$1656	\$3270	\$ 74	\$ 148	\$75	\$150	1/ 2/

1/ **Income Disregard:** Alaska Native Land Claims Settlement

2/ **Additional Eligibility Criteria:** Individual must be age 18 or older.

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- f. Beginning November 1, 2001, child support payments made by a parent for or on behalf of a child living in a separate household are deducted from the countable income of that parent's household.
- g. For individuals under age 21 who are eligible under Section 1902(a)(10)(A)(ii) and 42 CFR 435.222, the following more liberal income methodology is used to determine eligibility:

The agency disregards the difference between the Adult Included Section 1931 need standard and the July 16, 1996 AFDC need standard for a family of that size.

- h. For individuals for whom a State adoption assistance agreement is in effect and who are eligible under Section 1902(a)(10)(A)(ii)(VIII) and 42 CFR 435.227, the following more liberal income methodology is used to determine eligibility:

The agency disregards the difference between the Adult Not Included Section 1931 need standard and the July 16, 1996 AFDC need standard for a family of that size.

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TN No. 03-01  
Effective Date: October 1, 2001  
January 1, 2003 (P+I)

Approval Date: \_\_\_\_\_  
Supersedes TN No: 01-010

### ELIGIBILITY UNDER SECTION 1931 OF THE ACT

The State covers low-income families and children under section 1931 of the Act.

The following groups were included in the AFDC State plan effective July 16, 1996:

  x   Pregnant women with no other eligible children.

  x   AFDC children age 18 who are full-time students in a secondary school or in the equivalent level of vocation or technical training.

       In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, without modification.

  x   In determining eligibility for Medicaid, the agency uses the AFDC standards and methodologies in effect as of July 16, 1996, with the following modifications.

       The agency applies lower income standards which are no lower than the AFDC standards in effect on May 1, 1988, as follows:

  x   The agency applies higher income standards than those in effect as of July 16, 1996, increased annually each January 1 since July 16, 1996, by the percentage increase in the CPI-U.

Effective beginning 1/1/03	Family Size	Need Standard
a. Adult Included (AI/UP/INCAP)	2	\$ 1,069
	3	1,202
	4	1,335
	5	1,468
	each	133
	additional	
b ANI	1	\$ 587
	2	720
	3	853
	4	986
	5	1119
	each	133
	additional	

c. Single Adult

\$ 669

\_\_\_ The agency applies higher resource standards than those in effect as of July 16, 1996, increased by no more than the percentage increases in the CPI-U since July 16, 1996, as follows:

x The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

Less Restrictive Income Standards:

- a. Either \$150 plus 33 percent of all earned income, or \$90 plus \$30 and 1/3 (if applicable) as provided in the AFDC State plan, whichever is greater. This applies to all recipients without regard to duration of the disregard (applicants still receive the \$90 disregard as provided under the AFDC state plan).
- b. Diversion payments made under Alaska Statute 47.27.026 are exempt as income in both the 185% gross income test and the final income eligibility determination.
- c. Charitable contributions are exempt from countable income up to \$300 per calendar quarter.
- d. The earned income of a child who is enrolled at least half time in secondary school is exempt in both the 185% gross income test and the final eligibility determination.
- e. Non-recurring lump sum payments are exempt as income, however, they remain a resource if retained.
- f. Educational income used for educational purposes is exempt. Unless exempt under other Federal statutes, all other educational income is prorated over the period of intended use or counted as income in the month received, whichever is to the individual's advantage.
- g. Beginning November 1, 2001, child support payments made by a parent for or on behalf of a child living in a separate household are deducted from the countable income of that parent's household.

- h. Dividend and benefit payments received from the Alaska Permanent Fund Dividend Program are exempt from countable income.

Less Restrictive Resource Standards

- a. Resource standard is \$2,000 per household, \$3,000 for households that include an adult age 60 or older.
- b. When determining countable resources, the total value of a motor vehicle is disregarded if the motor vehicle is used for family transportation necessary to meet basic needs, including obtaining food, medical care, other essentials, or for transportation to or from school, work, or training. The total value of a motor vehicle is also disregarded if necessary when the vehicle is used as the family's home, to transport a disabled family member, to produce self-employment income, or for a family member to participate in a work activity approved by the Alaska Division of Public Assistance. If there are no vehicles owned that are used for the purposes stated above, the first \$1500 in equity of one motor vehicle is excluded as a resource.
- c. Dividend and benefit payments received from the Alaska Permanent Fund Dividend Program are excluded from consideration as resources.
- d. Real property is exempt as long as it is actively up for sale.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

\$90 plus \$30 and 1/3 earned income disregard for four months.

\$1,500 of the value of a motor vehicle was disregarded as a resource.

No exemption for charitable contributions.

Complex rules on counting or exempting income for different tests and different periods based on source of income and full time or part time student status.

Excess averaging of non-recurring lump sum payments.

Educational income was exempt if it is paid under conditions that preclude its use for day-to-day living expenses. Other educational income was counted as income in the month of receipt.

No income deduction for child support payments made by a member of the household.

Resource standard of \$1,000 per household.

Real property is exempt for up to 9 months if actively up for sale. If not sold within that time, the property reverts to a resource.

\_\_\_\_ The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.

x The agency continues to apply the following waivers of provisions of Part A of title IV in effect as of July 16, 1996, or submitted prior to August 22, 1996 and approved by the Secretary on or before July 1, 1997.

The waiver for the Alaska Summer Youth Employment and Training Project that included:

allowing the State to add an additional income disregard of any payments received under the JTPA Title II-B Summer Youth Employment and Training Programs;

allowing the State to exclude from resources for AFDC any payments received under the JTPA Title II-B Summer Youth Employment and Training Programs;

allowing the State to exclude from income JTPA Title II-B Summer Youth Employment and Training Programs in determining whether the income of a family exceeds 185 percent of the State's standard of need; and

allowing the State to provide AFDC-UP benefits disregarding JTPA Title II B Summer Youth Employment and Training programs when applying the 100-hour rule or the 30-day unemployment requirement.